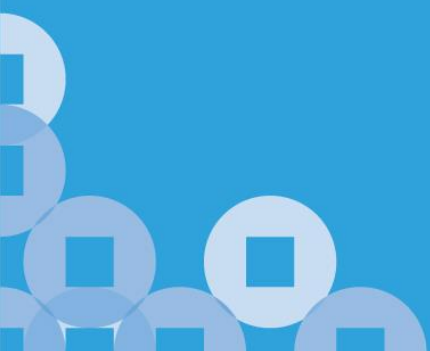




INLAND REVENUE  
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# IRAS e-Tax Guide

GST: Guide for E-Commerce  
(Second Edition)



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## **1 Aim**

- 1.1 This guide explains the GST principles relevant to the e-commerce industry and assists you in understanding how Goods and Services Tax ('GST') should be charged on electronic commerce transactions of physical goods, digital services and non-digital services<sup>1</sup>.
- 1.2 You should read this guide if you are a local GST-registered supplier, a local GST-registered marketplace operator, or a local GST-registered redeliverer in the business of providing goods and services in the e-commerce industry.

## **2 At a glance**

- 2.1 E-commerce refers to business transactions (sales and purchases) that are conducted electronically.
- 2.2 Generally, the medium through which the transaction occurs does not alter the taxability of the transaction. Hence, the same GST rules apply for supplies of goods or services made in Singapore regardless of whether they are made via the Internet or an electronic network (including electronic marketplaces) or through traditional means.
- 2.3 If you supply physical goods over the Internet or an electronic network, your supply attracts GST if the goods are delivered locally to your customers. You may zero-rate your supply of goods if you are able to maintain the necessary export documents<sup>2</sup> to prove that the goods have been exported.
- 2.4 A supply of services, including digital services and non-digital services, supplied over the internet will attract GST unless it qualifies for zero-rating under section 21(3) of the GST Act.

### Implementation of overseas vendor registration (OVR) regime on digital services on 1 Jan 2020 and non-digital services on 1 Jan 2023

- 2.5 With the implementation of the OVR regime from 1 Jan 2020, an overseas supplier making B2C supplies of digital services<sup>3</sup> or an electronic marketplace supplying digital services on behalf of overseas suppliers to customers in Singapore may be required to register for GST and charge GST on its sales.
- 2.6 With effect from 1 Jan 2023, the OVR regime will be extended to include the B2C supplies of non-digital services<sup>3</sup> made by overseas suppliers as well as local and overseas electronic marketplace operators that supply

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<sup>1</sup> This e-Tax guide replaces the IRAS' e-Tax guide "GST: Guide for e-Commerce (Fourth Edition)" published on 13 Feb 2018.

<sup>2</sup> Please refer to paragraphs 4.13 to 4.16 on the export documents that you are required to maintain.

<sup>3</sup> Please refer to paragraph 3.1 to 3.3 for more details on what constitutes digital services, non-digital services and remote services.

non-digital services on behalf of overseas suppliers to customers in Singapore. All imported services, whether digital or non-digital, that can be supplied and received remotely will be regarded as remote services<sup>3</sup>.

- 2.7 If you are an electronic marketplace operator, you will need to know when you will be regarded as a supplier of the remote services (i.e. digital and non-digital services) supplied by the overseas suppliers through your marketplace and the GST implications.
- 2.8 Overseas suppliers of remote services and electronic marketplace operators should read the e-Tax Guides “GST: Taxing imported services by way of an overseas vendor registration regime” (on digital services) and “GST: Taxing imported remote services by way of the overseas vendor registration regime” for more details of the OVR regime.
- 2.9 The OVR regime may affect local suppliers of remote services. If you supply remote services through a local or overseas electronic marketplace, the electronic marketplace operator may opt to account for GST on your remote services. For this, the electronic marketplace operator will need to seek your agreement to account GST on your remote services made through the marketplace and obtain approval from IRAS to do so in writing.
- 2.10 Once approval is granted, you will be regarded as making your supply of remote services to the electronic marketplace operator instead of the end-customers. You should standard-rate your remote services if they are supplied to a local marketplace operator and zero-rate them if they are supplied to an overseas marketplace operator. Please refer to Section 6 of this e-Tax Guide for more details.

Extension of the overseas vendor registration (OVR) regime to low-value goods from 1 Jan 2023

- 2.11 With the extension of the OVR regime from 1 Jan 2023, GST will apply to B2C supplies of low-value goods (“LVG”) made by local and overseas suppliers, electronic marketplace operators and redeliverers to customers who are not GST-registered in Singapore.
- 2.12 Local suppliers with goods located outside Singapore and make direct sales of LVG to customers who are not GST-registered in Singapore will be required to charge and account for GST on these sales.
- 2.13 If you are a local electronic marketplace operator, you will need to know when you will be regarded as a supplier of the LVG supplied by the local and overseas suppliers through your marketplace and the GST implications.
- 2.14 If you are a local redeliverer who offer ‘ship for me’ and/or ‘buy for me’ services, you will need to know when you will be regarded as a supplier of the LVG supplied by local and overseas suppliers and electronic

marketplace operators which you assist your non-GST registered customers to purchase and/or deliver to Singapore.

- 2.15 For more details, please read the e-Tax Guide “GST: Taxing imported low-value goods by way of the overseas vendor registration regime”.

### **3 Glossary**

#### Digital services<sup>4</sup>

- 3.1 Digital services are services which are supplied over the Internet or an electronic network and the nature of which renders their supply essentially automated with minimal or no human intervention and impossible without the use of information technology. Digital services fall within the definition of ‘remote services’.

#### Non-digital services

- 3.2 Non-digital services refer to services that do not fall within the definition of ‘digital services’, and that can be supplied and received remotely. Non-digital services fall within the definition of ‘remote services’.

#### Remote services

- 3.3 For the purposes of the extended overseas vendor registration regime, remote services are defined as any services where, at the time of the performance of the service, there is no necessary connection between the physical location of the recipient and the place of physical performance.

Remote services include the supplies of the following:

- Digital services
  - (a) Downloadable digital content (e.g. downloading of mobile applications, e-books and movies);
  - (b) Subscription-based media (e.g. news, magazines, streaming of TV shows and music, and online gaming);
  - (c) Software programs (e.g. downloading of software, drivers, website filters and firewalls);
  - (d) Electronic data management (e.g. website hosting<sup>5</sup>, online data warehousing, file-sharing and cloud storage services);

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<sup>4</sup> The term “digitised goods” used in earlier editions of this e-Tax Guide will no longer be used in this edition. Digitised goods such as music and software will generally be covered within the definition of digital services in paragraphs 3.1 and 3.3 above.

<sup>5</sup> If you are a local person providing web-hosting services, please refer to our e-Tax Guide “GST Treatment of Web-Hosting Services and Server Co-location Services” for more details.

- (e) Support services, performed via electronic means, to arrange or facilitate a transaction, which may not be digital in nature (e.g. commission, listing fees and service charges by electronic marketplaces);
- Non-digital services
- (f) Professional services (e.g. investment advisory, brokerage services, legal, tax and accounting services);
- (g) Educational, professional membership and examination services (e.g. distance learning classes, online examinations to obtain professional certification, membership subscription to professional associations);
- (h) Personal services (e.g. online counselling, matchmaking and telemedicine services); and
- (i) Supply of consultancy and advisory services (e.g. advertising and digital marketing consultancy services, data analysis and research services).

#### LVG

3.4 LVG refers to imported low-value goods. For the purposes of the overseas vendor registration regime, LVG is defined as goods which at the point of sale:

- (i) are not dutiable goods, or are dutiable goods, but payment of the customs duty or excise duty chargeable on the goods is waived under section 11 of the Customs Act<sup>6</sup>;
- (ii) are not exempt from GST;
- (iii) are located outside Singapore and are to be delivered to Singapore via air or post; and
- (iv) have a value not exceeding the import relief threshold of S\$400.

In the above definition, ‘point of sale’ refers to the time at which an order confirmation is issued by the supplier or such other time as agreed with the Comptroller, whilst ‘Singapore’ refers to customs territory.

A supply of LVG by a GST-registered supplier, to a customer who is not GST registered in Singapore, will be subject to GST.

#### Electronic marketplace<sup>7</sup>

3.5 An electronic marketplace is defined as a medium that:

- (i) allows the suppliers to make supplies available to customers; and
- (ii) is operated by electronic means.

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<sup>6</sup> Intoxicating liquor and tobacco products do not fall within the scope of LVG.

<sup>7</sup> The term “electronic marketplace” will replace the term “e-commerce service provider” used in earlier editions of this e-Tax Guide.

It includes marketplaces operated via a website, internet portal, gateway, distribution platform or any other types of electronic interface, but excludes payment processors or internet service providers.

#### Redeliverers

3.6 Under the overseas vendor registration regime, a redeliverer is defined as a person who, under an arrangement with the customer:

- (i) delivers or facilitates the delivery of goods to Singapore; and
- (ii) provides or facilitates the use of an address outside of Singapore for delivery of the goods; or
- (iii) purchases or facilitates the purchase of the goods.

In the above definition, 'Singapore' refers to customs territory. The definition also does not include general freight forwarders who do not facilitate the use of an address nor facilitate the purchase of goods.

#### Overseas person (supplier / customer / marketplace)

3.7 An overseas person is a business or an individual who satisfies the conditions in paragraph 7 and treated as belonging outside Singapore.

#### B2B

3.8 B2B stands for business-to-business, and refers to transactions made by a GST-registered person, including sole-proprietors, partnerships and corporate bodies, to a GST-registered customer.

#### B2C

3.9 B2C stands for business-to-consumer, and refers to transactions made by a GST-registered person, to a non-GST registered customer, which includes non-GST registered individuals and businesses.

#### Direct sales

3.10 Direct sales refer to goods that are supplied directly by local and overseas suppliers to customers who are not GST-registered in Singapore (e.g. through the supplier's own website), instead of supplying the goods through an electronic marketplace or redeliverer.

## **4 Physical goods supplied over the Internet**

4.1 Whether you should charge GST at the prevailing GST rate or 0% on the supply of goods depends on the destination of delivery of the goods.

### **Physical goods: Standard-rated**

#### Goods located and delivered in Singapore



4.2 If you sell goods via the Internet and the goods are delivered locally in Singapore, you are making a standard-rated supply and GST is chargeable.

Goods located outside Singapore and to be imported into Singapore via air or post

4.3 Generally, if you sell goods that are located outside Singapore at the time of supply, your sales of goods are treated as outside the scope of GST and is not subject to GST.

4.4 However, with effect from 1 Jan 2023, the OVR regime will be extended to low-value goods (“LVG”). A local or an overseas supplier making B2C supplies of LVG to Singapore may be required to register for GST and charge GST on such supplies.

4.5 Hence, from 1 Jan 2023, you are required to charge and account for GST on your supplies of LVG made to non-GST registered customers<sup>8</sup> if you are GST-registered and are:

- (i) A local supplier with goods located outside Singapore and makes direct sales of LVG to Singapore;
- (ii) A local electronic marketplace operator who is regarded as the supplier for LVG supplied through your marketplace, on behalf of local and overseas suppliers; or
- (iii) A local redeliverer who is regarded as the supplier for the LVG supplied by local and overseas suppliers and electronic marketplace operators which you assist your customers to purchase and/or deliver to Singapore.

Local suppliers with LVG located outside Singapore

4.6 If you are a local GST-registered supplier who make direct sales of LVG (e.g. through your own website and not via an electronic marketplace or redeliverer) to customers who are not GST-registered in Singapore, you are required to charge and account for GST at the prevailing rate on these sales.

Local Electronic Marketplace Operators

4.7 A local electronic marketplace operator may be regarded as the supplier for LVG supplied through its marketplace, on behalf of local and overseas suppliers, when certain conditions are met. Please refer to the e-Tax Guide “GST: Taxing imported low-value goods by way of an overseas vendor registration regime” for more details.

4.8 If you are a local GST-registered electronic marketplace operator and are regarded as the supplier of the LVG under the OVR rules, you are required to charge and account for GST on supplies of LVG made on behalf of local

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<sup>8</sup> Including non-GST registered businesses and individuals.

and overseas suppliers to customers who are not GST-registered in Singapore. This includes all supplies of LVG made through your marketplace by the local and overseas suppliers, regardless of whether these suppliers are GST-registered or not.

#### Local Redeliverers

- 4.9 Redeliverers who offer 'ship for me' and/or 'buy for me' services may be regarded as the suppliers of the LVG which they assist non-GST registered customers to purchase and/or deliver to Singapore, when certain conditions are met.
- 4.10 If you are a local GST-registered redeliverer and are regarded as the supplier of the LVG under the OVR rules, you are required to charge and account for GST on the supplies of LVG made to non-GST registered customers in Singapore.
- 4.11 You must also charge and account for GST at the prevailing rate on your transportation services, insurance and all other services supplied in relation to your supply of LVG. Zero-rating is not applicable to preserve neutrality between the GST treatment of redeliverers and overseas suppliers or electronic marketplaces. Hence, these services are regarded as ancillary to your supply of LVG and would be subject to GST at the standard rate.
- 4.12 For more information on how a local supplier, electronic marketplace operator or redeliverer may be affected by the OVR regime on LVG, please refer to the e-Tax Guide "GST: Taxing imported low-value goods by way of an overseas vendor registration regime".

#### **Physical goods: Zero-rated**

- 4.13 To zero-rate your supply of goods, you need to prove that the goods are exported from Singapore. If the goods are exported by you or via your freight forwarder, you can zero-rate your supply and charge 0% GST provided that you maintain the necessary export documents.
- 4.14 For goods supplied over the Internet which are exported by you or via your freight forwarder, you need to maintain the following documents, bearing your name as the exporter:
- (a) For exports via sea or air freight  
Bill of lading/ air waybill/ subsidiary export certificate stating details of your goods exported and bearing your name as the exporter.
- For exports via land  
Export permit/ subsidiary export certificate stating you as the exporter, and the vehicle number.

- (b) your sales invoice to your customer;
- (c) purchase order or equivalent from your customer;
- (d) packing list or delivery note endorsed by your freight forwarder or handling agent with the following details:
  - (i) Statement stating “Goods delivered are for export”;
  - (ii) Name, address and GST registration number (if applicable) of your freight forwarder or handling agent; and
  - (iii) Date of collection of goods;
- (e) insurance documents (if applicable) with details of shipment; and
- (f) evidence of payment received from your customer.

4.15 For goods supplied over the Internet which are exported via a postal or courier company, you need to maintain:

- (a) parcel despatch note/ courier consignment note/ air waybill (if applicable) endorsed by the courier company bearing your name as the exporter/ sender and stating details of goods exported;
- (b) purchase order or equivalent from your customer;
- (c) your sales invoice to your customer;
- (d) insurance documents (if applicable) with details of shipment; and
- (e) evidence of payment received from your customer.

4.16 For more information, please refer to the e-Tax Guide “GST: A Guide on Exports”.

## **5 Services supplied via the Internet**

5.1 If you supply services over the internet to local customers, your services are subject to GST unless they qualify for zero-rating under section 21(3) of the GST Act. This also applies to your supplies of digital and non-digital services.

5.2 Some of the zero-rating provisions in section 21(3) require you to determine whether your services are supplied to and directly benefitting customers belonging outside Singapore or GST-registered customers belonging in

Singapore<sup>9</sup>. For guidelines on how to determine where your customer belongs for e-commerce transactions, please refer to paragraph 7.

5.3 Some examples of services supplied over the internet that can be zero-rated are:

(a) Section 21(3)(a)

Supply of international transport e.g. sales of air tickets.

(b) Section 21(3)(j)

Services that are supplied under a contract with a person who does not belong in Singapore and directly benefitting a person who does not belong in Singapore at the time the service is performed and not directly in connection with land or goods situated inside Singapore.

For example, online courses provided to and directly benefitting an overseas individual who is outside Singapore at the time the services are performed will qualify for zero-rating under section 21(3)(j).

With effect from 1 Jan 2020, zero-rating is extended to services supplied to an overseas person where the services “directly benefit” GST-registered persons belonging in Singapore. The GST-registered beneficiary will be required to apply reverse charge on services<sup>10</sup> procured from the overseas person if it is not entitled to full input tax recovery.

5.4 For more details on services that qualify for zero-rating under section 21(3), please refer to the IRAS website at [www.iras.gov.sg](http://www.iras.gov.sg).

## 6 Services supplied through an electronic marketplace<sup>11</sup>

6.1 If you are a **local GST-registered supplier** who supplies digital and non-digital services to customers through an electronic marketplace, you are required to charge GST. You may zero-rate your services if they fall within any of the provisions under Section 21(3) of the GST Act.

6.2 If you are a **local GST-registered electronic marketplace operator**, you should similarly charge GST at the prevailing rate on your service fees unless zero-rating is applicable. Generally, you do not need to charge GST on the supplies made by the suppliers through your electronic

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<sup>9</sup> Applicable to a supply of services made on or after 1 Jan 2020 under sections 21(3)(j), (k), (s) or (y) of the GST Act.

<sup>10</sup> Including recovery of costs by the overseas person.

<sup>11</sup> You should read this in conjunction with our e-Tax Guides “GST: Taxing imported services by way of an overseas vendor registration regime” (on digital services) and “GST: Taxing imported remote services by way of an overseas vendor registration regime”.

marketplaces. The supplier will charge and account for GST as its output tax if it is GST-registered.

6.3 However, with the introduction of the OVR regime on digital services from 1 Jan 2020 and the extension to non-digital services from 1 Jan 2023, a local or overseas electronic marketplace operator may be regarded as the supplier for such remote services made through its platform, on behalf of **overseas suppliers**, when certain conditions are met<sup>12</sup>.

6.4 If GST-registered, the local or overseas electronic marketplace operator will then have to charge GST on the supplies of remote services made on behalf of the overseas suppliers through its platform to non-GST registered customers<sup>13</sup> (i.e., B2C supplies) in Singapore. This is regardless of whether the overseas suppliers are GST-registered or not.

6.5 To facilitate compliance, the electronic marketplace operators may make the following elections for:

- (a) B2C supplies of remote services: To charge and account for GST on all B2C remote services made by **local suppliers** through its marketplace, in addition to those made by overseas suppliers.

This election is available to both overseas and local electronic marketplace operators.

- (b) B2B<sup>14</sup> supplies of remote services: To charge and account for GST on all B2B supplies of digital services made by suppliers through the marketplace, in addition to the B2C supplies.

This election is only available to local electronic marketplace operators and not overseas marketplace operators.

The election in (b) will also cover B2B supplies made by **local suppliers** if the local electronic marketplace operator has made the election in (a), i.e., charge GST on B2C supplies made by local suppliers. Otherwise, the B2B election will only cover B2B supplies made by overseas suppliers.

6.6 To make the elections, the electronic marketplace operator has to seek approval from the Comptroller of GST in writing and agree with its suppliers that it will be accounting for GST on the remote services made through the marketplace. Please see the e-Tax Guide “GST: Taxing imported remote services by way of an overseas vendor registration regime” for more details.

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<sup>12</sup> Please refer to the e-Tax Guide “GST: Taxing imported remote services by way of an overseas vendor registration regime” for more details.

<sup>13</sup> Including non-GST registered businesses and individuals.

<sup>14</sup> This refers to supplies made to GST-registered customers, including companies, sole-proprietors and partnerships.

- 6.7 Upon approval, the remote services will be deemed as two consecutive supplies. The first being a supply of remote services from the supplier to the electronic marketplace operator at the selling price to its end-customer, and the second being a supply of those services from the marketplace operator to the end-customer. The local supplier, if GST-registered, should charge GST to a local electronic marketplace operator and zero-rate the supplies to an overseas marketplace operator.
- 6.8 Annex A summarises the impact of the two elections on local suppliers.
- 6.9 For more information on how you may be affected by the OVR regime, please refer to the e-Tax Guides “GST: Taxing imported services by way of an overseas vendor registration regime” (on digital services) and “GST: Taxing imported remote services by way of an overseas vendor registration regime”.

## **7 Definition of “belonging in Singapore”**

- 7.1 As stated in paragraph 5.2, the “belonging status” of your customer is relevant to determine zero-rating under some of the zero-rating provisions in section 21(3). This section sets out the general rules that you can apply to determine the belonging status of your customers.

If your customer is a business (e.g. a company or a partnership)

- 7.2 Your customer shall be treated as belonging in Singapore if:
- (a) it has a business establishment<sup>15</sup> or some fixed establishment<sup>16</sup> in Singapore and nowhere else; or
  - (b) it has no business or fixed establishment in any country, but it is legally constituted in Singapore (e.g. company incorporated in Singapore); or
  - (c) it has such establishments both in Singapore and outside of Singapore. The establishment, at which the services are most directly used or to be used, is the establishment in Singapore.

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<sup>15</sup> Your customer will be treated as having a business establishment in Singapore if:

- its main seat of economic activity is in Singapore;
- it carries on its business through a branch in Singapore; or
- it carries on its business through an agency in Singapore.

The main seat of economic activity refers to the place where the essential decisions concerning the general management of the company are made and where the functions of its central administration are carried out. It usually refers to the head office, headquarters or principal place of business.

<sup>16</sup> Fixed establishment is an establishment, other than the business establishment, that has both the technical and human resources necessary to provide or receive services on a permanent basis.

- 7.3 To determine if your business customer belongs in Singapore for services supplied over the Internet, you should examine if your customer has a Singapore business address in your database (for instance, your regular business customer), a Singapore domain name (e.g. philiptan@abc.com.sg) or a Singapore IP address. If so, you should treat your customer as belonging in Singapore.
- 7.4 If your customer does not have any of the above (i.e. Singapore business address, Singapore domain name or Singapore IP address), you may treat your customer as belonging outside Singapore if:
- (a) Address of the business entity as shown in your database is outside Singapore;
  - (b) the domain name or IP address indicates that its business is a foreign establishment (e.g. philiptan@abc.com.au);
  - (c) the customer gives a declaration, at the time of transaction, that the company is located outside Singapore; and
  - (d) any other information you have that indicates your customer as belonging outside Singapore<sup>17</sup>.

If your customer is an individual

- 7.5 Your customer is considered as belonging in Singapore if Singapore is his or her usual place of residence.
- 7.6 As a supplier, you should take reasonable steps to determine where your customer belongs.
- (a) If your customer has a Singapore address in your database, a Singapore domain name (e.g. amylin@pacific.net.sg) or a Singapore IP address, you should treat your customer as belonging in Singapore<sup>18</sup>.
  - (b) If your customer does not have a Singapore domain name nor a Singapore IP address, you should obtain a declaration of his usual place of residence at the time of transaction:
    - (i) If he declares that his usual place of residence is Singapore, you should treat the customer as belonging in Singapore<sup>19</sup>.
    - (ii) If he declares that it is outside Singapore, you can treat him as belonging outside Singapore<sup>20</sup>.

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<sup>17</sup> Guidelines relating to determining the location of customer will change with advancement in technology.

<sup>18</sup> You should charge GST unless zero-rating under section 21(3) of the GST Act applies.

<sup>19</sup> You should charge GST unless zero-rating under section 21(3) of the GST Act applies.

<sup>20</sup> Even though the customer belongs outside Singapore, you may zero-rate your supply only if you are able to satisfy all the conditions under the relevant provisions of section 21(3) of the GST Act.

(iii) If your customer fails to declare his usual place of residence, you should treat the customer as belonging in Singapore<sup>21</sup>.

7.7 Please refer to Annex B on the possible situations and the belonging status of the customer under each situation.

Local electronic marketplace operator affected by the Overseas Vendor Registration (OVR) regime

7.8 As mentioned in paragraph 6.3 above, if you are a local operator of an electronic marketplace that allows overseas suppliers to supply remote services to customers in Singapore, you may be regarded as the supplier of remote services made by overseas suppliers through your platform under the OVR regime, if certain conditions are satisfied.

7.9 For such sales made on behalf of overseas suppliers through your platform, you are required to determine the belonging status of the customer based on the rules stated in paragraph 8 of the e-Tax Guides “GST: Taxing imported services by way of an overseas vendor registration regime” (on digital services) and “GST: Taxing imported remote services by way of an overseas vendor registration regime”. The belonging status is relevant to determine if you should treat the customers as belonging in Singapore and charge GST.

7.10 To ease your compliance, you may adopt the same rules in the abovementioned paragraph 8 to determine the belonging status of customers for your own supplies of remote services and for those B2C and B2B supplies of remote services that you elect to account for GST in paragraph 6.5.

## **8 Accounting for GST**

8.1 You should account for GST on e-commerce supplies together with other business transactions in your GST returns.

8.2 The time of supply determines when you should charge and account for GST. For most transactions, output tax will be accounted for based on the earlier of the following:

- (a) when an invoice is issued; or
- (b) when payment is received.

8.3 The issuance of any type of invoice will be an event that triggers the time of supply. This includes a tax invoice as well as any document that serves as

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<sup>21</sup> You should charge GST unless zero-rating under section 21(3) of the GST Act applies.



a bill for payment for supplies made by a GST-registered supplier. An example of such document would be a debit note.

8.4 In general, documents such as sales order, pro-forma invoice, statement of accounts and letter/statement of claims are not considered as invoices for GST time of supply purposes. This is because these documents are often not billing for payments and would therefore not be treated as invoices based on normal commercial practices.

8.5 For more details, please refer to the e-Tax Guide “GST: Time of Supply Rules”.

## **9 Invoicing your customers**

9.1 As a GST-registered person, you are required to issue tax invoices for goods or services supplied to another taxable person. The tax invoice must be provided to the buyer within 30 days of the supply being made.

9.2 You can issue either a physical tax invoice or an electronic tax invoice for the sale via the Internet.

9.3 Details to be shown on the tax invoice include the following:

- (a) the words “Tax Invoice” in a prominent place;
- (b) an identifying number;
- (c) the date of issue of the invoice;
- (d) your name, address and GST registration number;
- (e) your customer’s name (or trading name) and address;
- (f) the type of supply (e.g. credit sale, hire purchase, loan);
- (g) a description of goods or services supplied;
- (h) for each description, the quantity of goods or extent of services and the amount payable (excluding tax);
- (i) any cash discount offered;
- (j) the total amount payable excluding tax, the rate of GST and the total tax chargeable shown separately;
- (k) the total amount payable including tax; and
- (l) if applicable, the breakdown of exempt, zero-rated or other supply, stating separately the gross amount payable in respect of each.

9.4 If you invoice in a foreign currency, items (j) and (k) should be converted into Singapore dollar using the selling exchange rate prevailing in Singapore at the time of supply. For the approved exchange rates to be used, please refer to the e-Tax Guide “GST: Exchange Rates for GST Purpose”.

## **10 Online price displays**

- 10.1 All prices displayed, advertised or published over the Internet for any supply of goods or services should be inclusive of GST, unless prior approval has been sought from the Comptroller of GST to do otherwise.
- 10.2 If you display both GST-inclusive and GST-exclusive prices, the GST-inclusive price must be at least as prominent as the GST-exclusive price.
- 10.3 Failure to comply with each of these requirements is an offence that can result in a fine of up to \$5,000.

## **11 Electronic Records**

- 11.1 You do not need to seek approval from IRAS to keep your records in an electronic format for tax purposes.
- 11.2 However, you need to ensure that proper internal controls are put in place to ensure the integrity, completeness, accuracy, availability and reliability of the electronic records, including all transactions executed electronically.
- 11.3 Please refer to the e-Tax Guide “Record Keeping Guide for GST-Registered Businesses” for more information.

## **12 Contact information**

- 12.1 For enquiries on this e-Tax Guide, please contact the Goods and Services Tax Division at [www.iras.gov.sg](http://www.iras.gov.sg) (select “Contact Us”).

### 13 Updates and Amendments

	<b>Date of amendment</b>	<b>Amendments made</b>
1	29 Aug 2022	<p>(a) To reflect the changes due to extension of the overseas vendor registration (OVR) regime to non-digital services and low-value goods with effect from 1 Jan 2023:</p> <ul style="list-style-type: none"> <li>(i) Amended paragraph 1, 2.4, 2.7 to 2.10, 3.1, 3.5, 3.9, 4.1, 4.2, 5, 6, 7.3 and 7.8 to 7.10</li> <li>(ii) Added paragraph 2.6, 2.11 to 2.15, 3.2 to 3.4, 3.6, 3.10 and 4.3 to 4.12</li> <li>(iii) Amended Annex A and B</li> </ul> <p>(b) Other editorial amendments</p>

**Annex A**

**GST impact on local suppliers for remote services made through an electronic marketplace**

<b>Election</b>	<b>Local supplier supplying remote services through an electronic marketplace to end-customers</b>
<p>The electronic marketplace operator does not make any election (i.e. it charges and accounts for GST on B2C supplies for overseas suppliers only).</p>	<ul style="list-style-type: none"> <li>• Charge GST on B2B and B2C remote services to end-customers unless zero-rating is applicable.</li> </ul>
<p><b><u>(a) B2C election for remote services:</u></b>                      The electronic marketplace operator has obtained approval to charge and account for GST on <b><i>B2C supplies</i></b> for <i>both local and overseas suppliers</i></p>	<p><u>B2B supplies</u></p> <ul style="list-style-type: none"> <li>• Charge GST on B2B remote services unless zero-rating is applicable.</li> </ul> <p><u>B2C supplies</u></p> <ul style="list-style-type: none"> <li>• You are deemed to be making a supply of remote services to the marketplace operator instead of the end-customer. The deemed supply is made at the selling price to the end-customer.</li> <li>• You should charge GST on the deemed supplies to a local marketplace operator.</li> <li>• You can zero-rate the deemed supplies to an overseas marketplace operator.</li> </ul>
<p><b><u>(b) B2B election for remote services</u></b></p> <p>The local electronic marketplace operator has obtained approval to account for GST on B2B remote services supplied by suppliers, in addition to the B2C supplies.</p> <p>This election is only available to local electronic marketplace operators.</p>	<p>This only affects local suppliers only if the local electronic marketplace operator has made an election under (a) to account GST on B2C supplies of remote services made on behalf of local suppliers and made a further election under (b) to account for GST on B2B supplies made.</p> <ul style="list-style-type: none"> <li>• You are deemed to be making a supply of remote services (for both B2B and B2C supplies) to the local marketplace operator instead of the end-customer. The deemed supply is made at the selling price to the end-customer.</li> <li>• You should charge GST on the deemed supplies to the local electronic marketplace operator.</li> </ul>

**Annex B**

**Belonging status of customers for sales of services supplied over the Internet**

Scenario	Proxies		Belonging status of customer
	Domain name	Declaration by customer	
1	Customer's domain name ends with dot sg (e.g. amylin@pacific.net.sg)	Not relevant (since customer has a Singapore domain name)	Customer belongs in Singapore based on his Singapore domain name.
2	Customer's domain name does not end with dot sg (e.g. johnlee@aol.com or phillip_tan@yahoo.com.uk)	Customer declares his usual place of residence / place of business is outside Singapore.	Customer belongs outside Singapore.
3	Customer's domain name does not end with dot sg (e.g. phillip_tan@hp.com or phillip_tan@yahoo.com.uk)	Customer declares his usual place of residence / place of business is in Singapore.	Customer belongs in Singapore based on his declaration.
4	Customer's domain name does not end with dot sg	Customer does not declare his usual place of residence / place of business is in Singapore	Customer belongs in Singapore.